

## NOTICE

**Sub: Option to Power Producers (SEB/CPSU/IPPs) for non-termination of FSA due to level of lifting below 30% of ACQ.**

This is for the information all Power Producers (SEB/CPSU/IPPs) having FSA with MCL that GM(S&M), CIL vide letter Ref. No. CIL:S&M:New Pol(47252):314 dated 24.04.2017 has informed that an option shall be given to the Power Plants (SEB/CPSU/IPPs) facing termination due to lifting of coal below 30% of ACQ in the immediate preceding year (FY) to keep alive their FSA. In such cases, the Purchaser may request MCL for non-termination of the FSA. The Purchaser shall, however, have to pay the applicable compensation/penalty for the quantum of short lifting below the minimum assured level of lifting (Trigger). MCL shall raise compensation/penalty claim accordingly as per the provisions under the FSA.

The letter dated 24.04.2017 of GM(S&M), CIL is also enclosed herewith.

This is for the information of all concerned.

*R. Mishra*  
**HOD (S&M)**  
1/5/17

**Encl: as above**

Copy for kind information to:

- DT(OP), MCL
- GM(Fin-SA), MCL
- GM(System), MCL is requested to hoist the above notice on MCL website under the link "Our Business" ---> "Sales & Marketing" ---> "Notices" ---> "Notices for FSA"



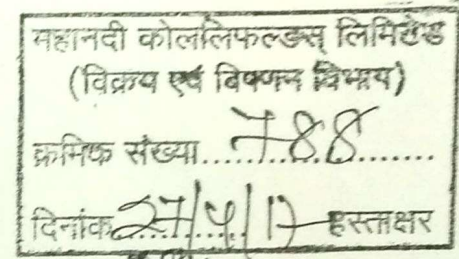
COAL INDIA LIMITED  
A Maharatna Company  
(Govt. of India Undertaking)  
COAL BHAWAN  
Marketing Division, Ground Floor  
Premises no.04MAR,Plot AF-III,  
Action Area-1A, New Town,  
Kolkata- 700156

Phone: 033-2324-6617  
Fax: 033-2324-4229  
e-mail id: gm@nm.cil@coalindia.in  
Website: [www.coalindia.in](http://www.coalindia.in)  
Corporate ID No. L23109WB1973GOI028844

Re:CIL:S&M:New Pol(47252): 314

Date: 24-4-2017

To  
The General Manager(S&M)  
ECL/BCCL/CCL/WCL/NCL/SECL/MCL  
General Manager,NEC



Dear Sir,

Sub : Option to Power producers (SEB/CPSU/IPPs) for non-termination of FSA due to lifting below 30% of ACQ

The Fuel supply agreement(FSA) with the Power Producers provides for termination of the FSA for level of Lifting(LL) falling below 30% of the Annual Contracted Quantity(ACQ) as per applicable provision under the heading "Termination of contract/Agreement" of the FSA. It has been approved that an option shall be given to such power plants facing termination due to lifting of coal below 30 % of ACQ in the immediate preceding year(FY) to keep alive their FSA. In such cases, the Purchaser may request the Seller for non-termination of the FSA. The Purchaser shall, however, have to pay the applicable compensation /penalty for the quantum of short lifting below the minimum assured level of lifting(Trigger).

Coal Companies may accordingly shall raise compensation/penalty claim as per the applicable provision under the FSA and may start dispatch of coal w.e.f. April'17. They would also arrange for uploading the letter in the website/Notice Board of their Coal Company. This is for your taking immediate further necessary action.

Yours faithfully,

General Manager(S&M)

Copy:-

- Dir(Mktg), CIL
- TS to Chairman, CIL
- CM(S&M-Fin), CIL
- GM(S&M), CIL New Delhi

For uploading in CIL website:

- GM(System), CIL

SM(C) / SM(10) / SM(25)

R. Nishu  
23/4/17